

**OFFICE OF WORKFORCE SECURITY  
SEMI-ANNUAL  
RESEARCH STATUS REPORT  
APRIL 2001**

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## OFFICE OF WORKFORCE SECURITY RESEARCH AND DEVELOPMENT PROJECTS

Study Title: **Benefit - Cost Analysis of the Self-Employment Assistance (SEA) Program**

Purpose: This study is assessing the longer term impact of providing self-employment assistance as a reemployment service from an administrative, as well as a programmatic outcomes perspective. Using comparative groups of participants and non-participants selected from three (3) States, the research team will perform a cost benefit - cost analysis of SEA, as well as a comparative analysis of service provision and program management among the remaining States that have enacted and administered SEA programs. State UI claims data, site visits, and a participant survey will comprise the analysis database. The results of study will be disseminated to state reemployment service providers currently exploring possible implementation of a SEA program or seeking to refine current service delivery and improve outcomes.

Beginning Date: July 1999

Ending Date: June 2001

Contractor: DTI Associates, Inc.

Project Monitor: Wayne Gordon

Status: Surveys of 200 participants and 200 non-participants in each of three states –New Jersey, New York, and Maine– were completed in November 2000. Administrative data were received from all three states. Combined with information gathered from site visits to all SEA States including New York, New Jersey, and Maine, all data collection is complete. Analysis has begun in advance of final report preparation.

Funding source: EDWAA Demonstration, Research and Evaluation

Title:	<b>Creation of Public Use Data Sets</b>
Purpose:	To preserve and to make publicly available, public use data sets from data collected by ETA through federal reporting and specific research conducted by ETA though the creation of a repository for these data. Several unique data sets have been developed though government-sponsored program evaluations. While these data sets have been analyzed to provide various levels of evaluation for specific programs, further analysis can yield additional insights. Federal reporting by States for program administration purposes also yields a variety of data. While these data are created/collected for a specific purpose, the true value of the data may exist in its ability to inform additional research conducted by ETA, its contractors, academicians and other researchers.
Beginning Date:	October 2000
Ending Date:	June 2001
Contractor:	The Upjohn Institute
Project Monitor:	Wayne Gordon, OWS
Status:	A one-time start-up grant was awarded to the Upjohn Institute to assume responsibility for receiving, cleaning, documenting, storing and disseminating the data sets. ETA and its contractors would have free use of the available data. Outside requests from other interested parties would be satisfied “at cost” for the creation of CDs of requested data.
Funding:	UI National Activities

Study Title: **Center for Employment and Training (CET) Impact Study**

Purpose: The purpose of this study is for the conduct of a random assignment 30 month impact evaluation of CET replication sites.

Beginning Date: June 27, 1995

Ending Date: December 31, 2002

Contractor: Manpower Demonstration Research Corporation (MDRC)

Project Manager: Tom NaSell, OPR

Status: A process study regarding the sites' fidelity to the CET model has been delivered. The 30 month impact study is ongoing.

Funding Source: Research and Evaluation

**Study Title:**                    **Employer Response to the Unemployment Insurance (UI) Payroll Tax**

**Purpose:**                        The purpose of this project is to conduct further research into the response of firms to the Unemployment Insurance (UI) system. The project has two main objectives: 1) to build a large longitudinal database containing information on individual firms and workers in those firms, and 2) to use the database to answer a number of key programmatic and economic questions concerning the effects of UI taxes on firm behavior. It is expected that building a firm-level longitudinal database will allow for a more detailed and accurate analysis than has previously been attempted in this area.

**Beginning Date:**            September 29, 1995

**Ending Date:**                March 2001

**Contractor:**                 Westat, Inc.

**Project Monitor:**           Mike Miller, OWS

**Status:**                        The final report is expected to be published in April 2001.

**Funding Source:**           UI National Activities

Study Title: **Study of Employers' Use and Assessment of the Work Opportunity Tax Credit (WOTC) and the Welfare-to-Work Tax Credit (WtW)**

Purpose: The purpose of this study was to examine employers' use and assessment of the tax credits. Among the key issues addressed were the main reasons for firms to use the credits; the target groups hired by employers, and their employment experiences; extra support provided to target group hirees, including any changes in hiring/supervision practices; whether target group hirees would have been hired absent the tax credits; administrative problems encountered with SESAs or the IRS; overall assessment of the programs and suggestions for improvement. The study consisted of in-depth interviews at 16 varied establishments, in five States, that have used the WOTC/WtW programs.

Beginning Date: June 26, 1998

Ending Date: June 30, 2001

Grantee: Westat, Inc., under rapid response contract

Project Monitor: COTR, Tom Nasell, OPR  
OWS contact William Goodwin  
OWS contact Carmen Ortiz

Status: The data collection phase of the study has been completed and a draft report has been delivered. The draft report is currently under review.

Funding Source: ES National Activities

**Study:** **Estimating the Duration of Unemployment Benefit Reciprocity**

**Purpose:** Since the implementation of Worker Profiling and Reemployment Services (WPRS), most States have used statistical models to predict the expected duration of benefits of UI claimants. This research would examine systematically the determinants of benefit reciprocity duration. The project would involve data preparation and cleaning, model estimation and evaluation of predictive properties, and report preparation and briefing.

**Beginning Date:** October 2000

**Ending Date:** December 2001

**Contractor:** Syracuse University, Centers for Policy Research

**Project Monitor:** Wayne Gordon, OWS

**Status:** A grant was awarded to Syracuse University, Centers for Policy Research to perform the analysis. Using nearly ten years of state profiling data, the researchers are examining the use of differing dependent and independent variables to devise possible alternative WPRS models.

**Funding:** UI National Activities



Title:	<b>Evaluation of the Impact and Cost-effectiveness of Self-directed Labor Exchange Services</b>
Purpose:	The Workforce Investment Act (WIA) emphasizes self-directed services where appropriate. Further, 20 CFR 652.207 (b) refers to three types of service methods (self-service, facilitated self-help, and staff-assisted). Indeed, because access to staff-assisted, intensive services will be limited to “harder-to-employ” job seekers, the roles of “self-serve” and facilitated self-help, generally provided to UI claimants, employers, and job seekers through a computer-based environment, will become central to services provided by One-Stop Centers, and are the focus of this evaluation. Moreover, due to the array of public and private self-directed resources available, extensive use of these services will take place outside these centers. Despite extensive ETA investments in self-directed services, such as America’s Career Kit over the past five years, we possess limited information about implementation, processes, outcomes and impact of these services. This project would begin a comprehensive, multi-year effort to develop and implement a methodology to identify effective applications, and evaluate the impact and cost-effectiveness of self-directed services.
Beginning Date:	June 2001
Ending Date:	June 2002, plus potential for three option years
Contractor:	TBD
Project Monitor:	Wayne Gordon, OWS
Status:	RFP published in Commerce Business Daily February 12, 2001.
Funding:	Evaluation, Dislocated Worker TAT, Pilots and Demos

**Study:** **Evaluation of the Implementation of the Workforce Investment Act (WIA)**

**Purpose:** To evaluate and report on the implementation of the WIA. Study components include site visits to sample State and local workforce areas, quick turnaround implementation reports produced from ETA Regional data bases, School to Work integration into WIA, and analysis of other organizations' relevant data bases and reporting of developing WIA implementation information.

**Beginning Date:** June 29, 1999.

**Ending Date:** December 31, 2002.

**Contractor:** Social Policy Research, Inc.

**Project Manager:** Tom NaSell, OPR

**Status:** Produced and distributed for internal use a design report; 6 WSIE "quick turnaround" WIA update tracking reports; a case study report of early implementation states; and a draft interim report. Will make two more rounds of state/local site visits in 2001 and 2002, continue to produce quick turnaround reports as requested, and produce a final report in the fall of 2002.

**Funding Source:** Research and Evaluation, EDWAA Technical Assistance and Training, School to Work.

Study Title:	<b>Evaluation of Labor Exchange Services in a One-Stop Environment</b>
Purpose:	<p>The purpose of this study is to evaluate the effectiveness and efficiency of Wagner-Peyser Act labor exchange services. The goals are: (1) to understand the ways Americans search for jobs; (2) to understand the ways employers find workers; (3) to assess the effectiveness of Wagner-Peyser Act services in reducing job seeker' duration of unemployment and reducing employers' hiring time; (4) to assess the effectiveness of various methods of delivering Wagner-Peyser Act services; and (5) to understand who uses America's Job Bank.</p> <p>The research design includes a literature review of employer and job seeker search methods, process analyses of America's Job Bank, and benefit-cost analyses and process analyses in six states. The six sample states for this evaluation are Colorado, Massachusetts, Michigan, North Carolina, Oregon, and Washington. The data source include UI wage records, work registrations, a random assignment experiment, quasi-experiments, job-seeker surveys, and employer surveys.</p>
Beginning Date:	July 1, 1998
Ending Date:	Spring 2001
Contracor:	Westat, Inc.
Project Monitor:	Richard Muller, OPR
Status:	A research design has been implemented. All site visits completed except for Michigan. A new employer questionnaire was prepared.
Funding Source:	ES National Activities, Research and Evaluation, EDWAA Technical Assistance and Training, ALMIS.

Study Title: **Follow-up 54 Month Center for Employment and Training (CET) Impact Survey**

Purpose: The purpose of this survey is to the conduct a random assignment follow up 54 month impact evaluation of CET replication sites.

Beginning Date: October 1, 2000

Ending Date: December 31, 2004

Contractor: Westat, Inc.

Project Manager: Tom NaSell, OPR

Status: The 54 month post program assignment impact study is a follow-up to the ongoing 30 month impact study.

Funding Source: Research and Evaluation, EDWAA TAT

Study Title: **Variation in UI Reciprocity Across States**

Purpose: The purpose of this study is to perform cross-state analysis Unemployment Insurance (UI) reciprocity rates, which will include two approaches- qualitative & econometric. In accomplishing this overall purpose, the study shall have the following major objectives: To qualitatively and quantitatively explain the variation levels of UI reciprocity across States, by comparing labor market characteristics, policy and administrative changes in States with high reciprocity ratios, States with low reciprocity ratios and States with average reciprocity ratios; to determine the implications for both State and Federal policy and legislation of various proposals to affect UI reciprocity.

Beginning Date: July 1, 1999

Ending Date: April 31, 2001

Contractor: The Urban Institute

Project Manager: Crystal Woodard, OWS

Status: A draft final report was submitted and is being reviewed.

Funding Source: EDWAA Technical Assistance and Training.

Preliminary findings from site visits:

- ▶ States with low reciprocity are less likely to use telephone initial claims.
- ▶ High reciprocity seems to be associated with use of languages other than English. Massachusetts and California routinely operate with four languages and Wisconsin with three.
- ▶ States with low reciprocity generally operate with higher base period monetary requirements.
- ▶ Four low reciprocity states had some form of added eligibility requirement in addition to the usual base period and high quarter requirements.
- ▶ Determination rates for separation issues (voluntary quits and discharges) generally are low in states with high reciprocity and vice versa.

**Study Title:** **Impacts of Non-Monetary Eligibility Requirements on UI Claimants and Program Performance**

**Purpose:** The purpose of the research is to conduct a study to (1) develop specific, detailed information on State non-monetary (hereafter nonmon) eligibility legislation, policy, and practice (hereafter collectively referred to as practices) -- including both separation and non separation factors -- in order to identify clearly and precisely the “real” across-state variation in effective practice that may affect UI claimants and UI program performance; (2) use this information to develop measures or indices of across-state variation for use in subsequent analysis; and (3) analyze across-state impacts of nonmon eligibility requirements on key unemployment insurance (UI) program outcomes, such as reciprocity rates, UI benefit duration and unemployment duration, and program performance measures pertaining to nonmon determinations.

**Beginning Date:** August, 2000

**Ending Date:** April 2001

**Contractor:** Berkeley Policy Associates

**Project Monitor:** Yi Vivian Chen

**Status:**

- ▶ Kick-off meeting was held in September 26, 2000
- ▶ Literature review has been completed and existing administrative data from OWS national office has been examined
- ▶ Progress report including the proposal for two initial states as pilot site visits was received at the end of January, 2001.

**Finding Source:** UI National Activities

Study Title: **Impacts of a Targeted Harmonized Wage Code (THWC) on UI Revenues and Benefits**

Purpose: The purpose of this project is to determine the probable impact of excluding certain elements from the definition of wages, as part of the THWC, on State unemployment insurance (UI) revenues and claimant benefits. The THWC, which is targeted to small employers, has been developed by the inter-agency Simplified Tax and Wage Reporting System (STAWS) Program.

Beginning Date: September 15, 1999

Ending Date: September 15, 2001

Contractor: Planmatics, Inc.

Project Monitor: Esther Johnson, OWS

Status: Site visits were conducted in CA, GA, IN, MN, MT and PA. Site visits are planned in four more States-- LA, MS, NV and TX. Focus groups with employers were held in Baltimore, MD and Los Angeles, CA, Atlanta, GA and San Antonio, TX.

Funding Source: UI National Activities, Interagency agreement with IRS.

Study Title: **Impact of Welfare Reform on UI**

Purpose: As a result of welfare reform legislation, an increasing number of former welfare recipients are working and therefore covered by Unemployment Insurance. Over time some may find themselves out of work and migrating to the UI system. This study will examine the potential impact on the UI system and will recommend policy responses.

Beginning Date: February 2, 2000

Ending Date: March 2002

Contractor: Coffey Communications, LLC

Project Monitor: Anissa Holm, OWS

Status: Selection of the pilot state is in process

Funding Source: Pilots and Demonstrations, EDWAA Technical Assistance and Training, UI National Activities



Study Title: **Labor Exchange and Labor Market Research in the Future**

Purpose: The purpose of this project was to examine the role of the Labor Exchange within the context of the Workforce Investment Act and current labor markets; to examine contemporary labor market practices, conduct labor market research, identify future trends of labor market intermediaries and document new knowledge to improve system and services.

Beginning Date: September 2000

Ending Date: February 2001

Contractor: Coffey Communications, LLC and National Centers on Education and the Economy

Project Monitor: Esther Johnson, OWS

Status: Contractor has prepared an extensive literature review conducted group discussions with LMI Committee members and workforce information council members. Research framework has been received and is being reviewed.

Funding Source: Research and Evaluation, Pilots and Demonstrations.

**Study Title:** **Measuring the Effect of Public Labor Exchange (PLX) Referrals and Placements in Washington and Oregon**

**Purpose:** The purpose of this grant was to develop value-added performance measures that estimate the effect of job referrals and placements on job seekers' unemployment duration and earnings. The proposed measures were tested in Washington and Oregon using administrative data and a mail survey (in Washington only). In addition, a displacement effect study was conducted to determine the extent to which the gains obtained by job seekers who were referred to jobs came at the expense of job seekers who did not receive referrals.

**Beginning Date:** September 30, 1995

**Ending Date:** March 31, 2000

**Grantee:** State of Washington, with a major subcontract to Westat, Inc.

**Project Monitor:** Alison Pasternak, OWS

**Status:** The final report was submitted October 4, 2000.

**Funding Source:** ES National Activities

**Findings:** The following conclusions were reached: (1) surveys have the potential to identify job seekers who were referred to jobs too late to obtain interviews, and these individuals can serve as a comparison group to produce unbiased estimates of placement effects; (2) once unbiased measures of placement effects are achieved, these estimates can be used as benchmarks to produce unbiased results from administrative data alone; (3) placement-effect estimates substantially underestimate the total value to job seekers of direct placement services; (4) the per-person placement and referral effects for UI claimants in Oregon were considerably smaller than the effects in Washington, likely due to differences in the way UI claimants interact with the PLXs in the two States; (5) placement services substantially reduce UI payments, and these reductions equal about one-quarter of the gains in earnings; and (6) 80 percent of the benefits to UI claimants are derived from helping employers fill vacancies more quickly (i.e., the crowding out effect is roughly 20 percent). Westat's evidence on the effectiveness of direct placement services suggests that the benefits are substantially greater than the costs – returning perhaps as much as \$2 for each \$1 spent.

Recommendations: Further study is needed to obtain unbiased referral-effect estimates for use as a benchmark, as well as to more definitively estimate the value of direct placement services.

Study Title: **Promising Practices for One-Stops**

Purpose: The purpose of this study is to identify, document widely disseminate -via the Internet and other appropriate mechanisms- success stories and promising practices of One-Stop Career centers across the country operating under the Workforce Investment Act.

Beginning Date: June 2000

Ending Date: December 31, 2001

Contractor: Rutgers

Project Manager: Crystal Woodard, OWS

Status: The selection criteria and nomination form was disseminated on November 16, 2000. Contractor has provided a list of national organizations that were solicited for nomination and a list of One-Stops throughout the country that were nominated. A follow-up phone interviews were conducted with 25 One-Stops between January 5 and January 12. One-Stops recommended for field visits were identified and scheduled for late January through February.

Funding Source: EDWAA Technical Assistance and Training.

Study Title: **Rapid Response Evaluation**

Purpose: To provide continuing maintenance and operation of a mechanism for providing a rapid response analysis of issues arising from the operation of programs authorized by the Job Training Partnership and Workforce Investment Acts and related programs. These analyses are to be completed within a short time frame of the identification of an issue, typically six months or less.

Beginning Date: June 30, 1997.

Ending Date: June 30, 2001.

Contractor: Westat, Inc.

Project Manager: Tom NaSell, OPR

Status: Since 1997 there are a total of 19 task studies that were either successfully completed, are ongoing, or are still pending..

Funding Source: Research and Evaluation, EDWAA Technical Assistance and Training.

Study Title:	<b>A Study of UI Exhaustees</b>
Purpose:	To provide up-to-date information on the behavior, experience and labor market characteristics of UI exhaustees, compared to those of claimants generally. This study will determine to what extent they are served by the UI program, including the Worker Profiling and Reemployment Service system.
Beginning Date:	October 1, 1998
Ending Date:	June 2001
Contractor:	Mathematica Policy Research
Project Manager:	Anissa Holm, OWS
Status:	The survey is complete. The contractor is continuing follow-up field work and beginning analysis of state data.
Funding Source:	UI National Activities

Study Title: **Office of Workforce Security Research Database**

Purpose: The Employment and Training Administration's Office of Workforce Security (OWS) Research Database is designed to be an easy reference tool for researchers and program and policy staff/officials in the broad areas that comprise the workforce development system. It contains over 1,800 citations, with abstracts for more than half of these citations, covering a wide variety of subject areas, such as UI benefits, unemployment duration, financing, customer satisfaction, job search/reemployment services and, labor exchange and one-stop system delivery. In addition to citations, the database includes links to web sites of other public and private research organizations that work in these and closely related areas.

Beginning Date: July 1, 1998

Ending Date: On-going

Contractor: OLMIS, In-house Project

Project Manager: Anissa Holm, OWS

Status:

- ▶ Available online at <http://owsdatabase.doleta.gov>
- ▶ Can be accessed through the ETA, ICESA, and ITSC homepages.
- ▶ Adding new citations and editing existing citations.

## OFFICE OF WORKFORCE SECURITY TECHNICAL ASSISTANCE PROJECTS

Study Title: **Technical Assistance and Training: MOU Development, Execution, and Dissemination of Information**

Purpose: The purpose of this project is to compile information on promising practices in the area of memorandum of understanding (MOU) development, to engage major stakeholders in a dialogue on the status of MOU development and technical assistance and training needs of the system in MOU development and execution.

Beginning Date: June 2000

Ending Date: June 2001

Contractor: Coffey Communications

Project Monitor: Crystal Woodard, OWS

Status: Completed revisions of the work plan based on feedback from National Office. Contractor is currently working on a literature review.

Funding Source: Research and Evaluation, Pilots and Demonstrations.



Study Title:	<b>Technical Assistance and Training: State and Local Workforce Investment Boards</b>
Purpose:	The purpose of this project is focus on providing assistance to State and Local Workforce Investment Board members and staff to the Boards with special emphasis on the strategic planning function of the board, providing customized training to board members and the staffs.
Beginning Date:	June 2000
Ending Date:	June 2001
Contractor:	Coffey Communications
Project Monitor:	Crystal Woodard, OWS
Status:	Completed follow-up telephone discussions with groups/individuals working on WIB TAT or related efforts. Completed revisions of the work plan based on feedback from the National Office. Contractor is currently working on a literature review.
Funding Source:	Research and Evaluation, Pilots and Demonstrations.

## OFFICE OF WORKFORCE SECURITY DEMONSTRATION PROJECTS

**Study:** **Significant Improvement Demonstration Grants (SIGs)**  
**-Reemployment Services for UI Claimants**

**Purpose:** The goal of the SIGs is to assist selected State Workforce Development Agencies in the implementation of demonstration projects to increase the effectiveness of reemployment services for UI claimants, to preview and shape future policy directions for reemployment services for these claimants, and to support implementation of the Workforce Investment Act (WIA). A National-level evaluation will comprehensively document - *for individual projects and for grant program as a whole* -- how activities were implemented, what outcomes were achieved, how outcomes were related to fidelity/quality of implementation, what lessons were learned.

**Beginning Date:** June 30, 1999

**Ending Date:** Grants-- June 30, 2001  
Evaluation-- September 30, 2001

**Contractor:** Mathematica Policy Research, Inc.

**Project Monitor:** Wayne Gordon, OWS

**Status:** Eleven Grantees, AK, CA, LA, MD, MN, NY, NC, SC, WA, WV, AND WI were selected and awarded an average \$500,000 each for implementation of their proposal.

An evaluation contractor was selected and has completed the first round of site visits to each of the SIG States. A draft evaluation design has been reviewed by DOL and is expected in final in February.

**Funding:** EDWAA Demonstration, JTPA Title IV and UI National Activities